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SPECIAL PROGRAMMES OF ASSISTANCE

Impact of the Gulf crisis on developing countries: needs and initiatives

Report of the Administrator

SUMMARY

The present report reviews the economic, social and human costs of the crisis, and reports on actions undertaken since the organizational meeting of the Governing Council in February 1991, when the Administrator, on behalf of the United Nations Development Programme, pledged $4 million from Special Programme Resources (SPR) to help meet the needs arising from the crisis. Information is provided on the immediate and longer-term technical assistance needs created by the crisis; the Special Programme for the Countries Most Affected by the Gulf Crisis (SPGC), formulated to provide assistance within a comprehensive framework; and new initiatives proposed in the areas of human development, macroeconomic management and the environment.

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LIST OF ABBREVIATIONS

DIEC	Director-General for Development and International Economic Cooperation
DTCD	Department of Technical Cooperation for Development of the United Nations Secretariat
ESCAP	Economic and Social Commission for Asia and the Pacific
ESCWA	Economic and Social Commission for Western Asia
FAO	Food and Agriculture Organization of the United Nations
IAEA	International Atomic Energy Agency
ICAO	International Civil Aviation Organization
ILO	International Labour Organisation
IMF	International Monetary Fund
IMO	International Maritime Organization
IOC	Intergovernmental Oceanographic Commission
IOM	International Organization for Migration
NGOs	Non-governmental organizations
ROPME	Regional Organization for the Protection of the Marine Environment
UNCED	United Nations Conference on Environmental Development
UNCHS	United Nations Centre for Human Settlements (Habitat)
UNCTAD	United Nations Conference on Trade and Development
UNDRO	Office of the United Nations Disaster Relief Coordinator
UNEP	United Nations Environment Programme
UNESCO	United Nations Educational, Scientific and Cultural Organization
UNHCR	Office of the United Nations High Commissioner for Refugees
UNICEF	United Nations Children's Fund
UNIDO	United Nations Industrial Development Organization
WFP	World Food Programme
WHO	World Health Organization
WMO	World Meteorological Organization

I. BACKGROUND

1. The crisis which began with the invasion and occupation of Kuwait by Iraq, on 2 August 1990, devastated both countries and seriously affected the economic development of neighbouring countries, as well as that of other developing countries in the Arab region, Asia, Central and Eastern Europe, Africa and Latin America. 1/

2. The term "Gulf crisis" covers the following developments and their consequences: Iraq's invasion of Kuwait; the application of United Nations sanctions (Security Council resolution 661 (1990) of 6 August 1990); military action to liberate Kuwait, from 16 January until the end of 27 February 1991; and the civil strife which began in Iraq in March 1991, following the informal cease-fire.

3. The evolving nature of the crisis has required a commensurate response from the organizations and bodies of the United Nations system, under the leadership of the Secretary-General. The primary contribution of UNDP has been at the field level, and UNDP offices in Iran, Jordan, the Syrian Arab Republic and Turkey have assisted in coordinating the response, and have provided logistics and administrative support. As soon as the informal cease-fire took hold, UNDP moved quickly to resume operations in Kuwait and Iraq.

4. Soon after the crisis began on 2 August, UNDP, using available IPF resources, provided some assistance to those countries affected by large numbers of returning labour migrants, and/or by the application of sanctions to Iraq and Kuwait. Existing country programmes were reviewed where possible, although the fact that the crisis came at the end of the fourth programming cycle (1987-1991) meant that most available resources had been committed.

5. These activities were fully in line with the Secretary-General's note verbale of 23 January 1991, by which he conveyed to United Nations agencies and organizations the Security Council's concern that countries which had suffered as a result of the application of sanctions should receive assistance. In a memorandum to the President of the Security Council, dated 22 March 1991, the 21 countries 2/ applying for assistance under the provisions of resolution 661 (1990) estimated their losses at over $30 billion (S/22382). Estimates of the impact of the sanctions as a percentage of the gross national product (GNP) in selected countries appear in table 1 below. In response to that memorandum, the President of the Security Council made a statement, on behalf of the Council, at its 2985th meeting on 29 April 1991 (S/22548). In that statement, the Council called on the organizations of the United Nations system to assist the affected countries.

6. Clearly, the magnitude of the impact on developing countries necessitates a response above and beyond that possible with available resources. As reported at the organizational session of the Governing Council in February 1991, the Administrator established a Gulf Task Force coordinated by

the Regional Bureau for Arab States and Europe, in close collaboration with other UNDP bureaux and units, in order to manage the UNDP response to the crisis. The Administrator also allocated up to $4 million from Special Programme Resources (SPR) to help meet emergency relief needs, to assist in impact assessment and to respond to the social and economic needs created by the crisis.

7. To formulate a programme appropriate to the needs of developing countries, the Gulf Task Force engaged in extensive consultations with UNDP field offices and, through them, with government counterparts. The Gulf Task Force also contacted organizations and agencies of the United Nations system to report on existing and planned activities of UNDP and to request information about their own plans. This communication led to a valuable exchange of information and ideas. Based on the above, the Gulf Task Force formulated the Special Programme of Assistance to Countries Most Affected by the Gulf Crisis (SPGC), which was approved by the UNDP Action Committee in March.

8. SPGC adopted a programme approach, outlined in a background paper, to allocate the $4 million in SPR resources, and to target key areas with small amounts of money, assisting countries whose resources - and IPFs - had been stretched to the limit by the crisis. A mix of execution modalities is being used to allow rapid and flexible disbursement of funds. The SPGC background paper was distributed to field offices in the countries concerned, for transmission to the Governments concerned. By 1 May 1991, 42 per cent of the programme resources had been allocated. It is anticipated that 60 per cent of the resources will be committed by June (see table 2 below), and that 100 per cent will be committed by the end of 1991.

II. NEEDS, RESPONSES AND INITIATIVES

9. This section reports briefly on the impact of the crisis and the needs arising in specific areas. Information is also provided on the response of the international community and specific steps taken by UNDP within that overall response. Initiatives proposed by UNDP to meet the most outstanding needs are also outlined. It should be noted that this report is based on material available at the time of writing, and that conditions are changing on a daily basis.

10. Given the scale of resources required from the international community for immediate relief operations, medium-term development needs have received less attention. Yet if these needs are not addressed, the emergency responses will simply be stopgap measures. There is now an opportunity to move from immediate emergency measures to development policies and programmes that will help sustain economic growth and human development.

11. Therefore, the UNDP approach has been to focus on the medium term as well as the short term, as follows: (a) immediate humanitarian response; (b) immediate assistance to the rehabilitation of institutions and

infrastructure; (c) immediate assistance in macrolevel management; (d) medium-term programmes to reintegrate the returnees and achieve sustainable human development; and (e) medium-term technical assistance programmes to support environmental recovery.

A. Immediate humanitarian needs

12. The humanitarian needs in Kuwait and Iraq were assessed by a United Nations mission headed by United Nations Under-Secretary-General Martti Ahtisaari, in which UNDP participated, 3/ and a damage assessment mission in Kuwait undertaken by former United Nations Under-Secretary-General Abdulrahim Farah. 4/ A massive internal refugee problem was created by civil strife in Iraq after the informal cease-fire was reached. Hundreds of thousands of Iraqi Kurds fled to their country's border with Turkey (United Nations estimates of 26 April: 416,000 at or over the border in Turkey; 200,000 to 400,000 on the Iraqi side of the border; and 1.02 million in Iran). According to United Nations estimates, the appalling conditions suffered by the Iraqi Kurds were leading to over 1,000 deaths a day. The international community provided shelter, food and water while negotiations were under way for the refugees to return to their homes.

13. The United Nations response to the immediate humanitarian needs is being coordinated by Prince Sadruddin Aga Khan, designated by the Secretary-General on 9 April as Executive Delegate for a United Nations inter-agency humanitarian programme for Iraq, Kuwait, and the Iraq/Turkey and Iraq/Iran border areas. The Executive Delegate nominated a Coordinator, who assumed his duties at Baghdad on 18 April. The role of the United Nations system in support of the Executive Delegate's efforts were summed up in a statement by the Secretary-General on 26 April 1991, in which he outlined the responsibilities for further United Nations activity in the region as follows: UNHCR was to assume the lead role, supported by UNDRO which was to assist in information gathering, analysis and dissemination of information to all concerned parties. UNICEF and WHO were to fulfil their respective roles in relation to vulnerable groups, with a focus on health, water and sanitation. UNDP was to support the relief operations at the country level. During April also, the United Nations appealed for $400.2 million to respond adequately to immediate humanitarian needs.

Steps taken by UNDP

14. UNDP field offices have supported the ongoing efforts by Governments and United Nations agencies to provide humanitarian assistance since the crisis began. By May 1991, four additional UNDP international staff members had been posted to Iraq and one to Turkey to assist with the coordination of United Nations humanitarian efforts. UNDP has also provided staffing and other assistance to the Executive Delegate's offices in Geneva and New York.

15. Beyond the UNDP role in providing key coordination, logistics and administrative support at the field level, and given the magnitude of the funds required, any financial response by UNDP in this area is of a catalytic nature.

16. Under SPGC, $250,000 was provided as seed money to support the pressing need for United Nations Volunteers (UNVs) to assist the humanitarian relief effort in Iraq. By the end of April, this seed money had engendered a further $1 million from a single donor. Also under SPGC, the sum of $100,000 was allocated to meet strictly humanitarian needs in Iraq. Training in disaster management for UNDP staff and government counterparts is also being provided under SPGC. The training will be accomplished with inputs from the Disaster Management Training Programme (see DP/1991/20).

17. UNDP will continue to assist in efforts to meet humanitarian needs, within the coordination mechanisms established by the Secretary-General, and within the resources at its disposal.

B. Rehabilitation of institutions and infrastructure

18. Two countries are in great need of rehabilitation support: Kuwait and Iraq. The Iraqi invasion and the ensuing war devastated Kuwait's economy. Much of the physical infrastructure was destroyed, and power and water desalination plants were seriously damaged. Basic water and sewerage systems as well as hospitals were damaged or looted. Immediately after liberation, Kuwait embarked on the relief, rehabilitation and reconstruction process, with support from the international community.

19. UNDP plans to support the efforts of the Kuwaiti Government to strengthen national capacities in development administration, environment, health and education. Under SPGC, an initial allocation of $100,000 was made to assist in programme formulation in these areas.

20. In Iraq, immediate humanitarian needs were identified by a WHO/UNICEF report (S/22328), and further documented by the Ahtisaari mission. 3/ International agencies have been able to meet some health and safe water needs. Clearly, a vast programme of special assistance for rehabilitation and reconstruction will be necessary in Iraq, but identification and implementation will have to wait until United Nations sanctions are relaxed.

21. The existing UNDP programme in Iraq has been suspended, at the Government's request, until a new IPF programme can be formulated that will respond to the present situation. UNDP expects to support the strengthening of national capacity in rehabilitation and reconstruction of infrastructure and institutions. Meanwhile, as noted earlier, $100,000 was made available for immediate humanitarian needs under SPGC.

C. Macrolevel management

1. Impact and needs

22. The severity of the economic losses suffered by developing countries as a result of the crisis depended on the extent of each country's economic relations with Iraq and Kuwait (see table 1 below). Economic losses for countries in the Arab region, Asia, Central and Eastern Europe and Africa include: (a) lost remittances, a major source of foreign exchange; (b) suspension of aid and grants; (c) lost exports to the Gulf; (d) loss of barter arrangements and project agreements; (e) higher prices for imports, owing mostly to higher oil prices, and an increase in insurance and transport fees; (f) a sharp decline in tourism, an important source of employment and foreign exchange; (g) increased unemployment; (h) increased debt; and (i) loss of investment confidence and capital flight.

23. Other economic difficulties facing the seriously affected developing countries include: (a) a severe shortage of foreign exchange, urgently needed to import basic consumer goods as well as capital goods required for agricultural and industrial production; (b) high inflationary pressures caused by high import prices, including oil, and a depreciating national currency; and (c) a drastic reduction in government revenues, forcing untimely curtailment of public expenditures and services.

24. The crisis resulted in an increase in oil prices on the international market for about six months. It is estimated that each one dollar change in oil prices increases the import bill by about $2 billion for oil-importing developing countries taken as a whole (UNCTAD document TD/B/1272). Higher oil prices have had negative effects on the balance of payments as well as the government budgets of many oil-importing developing countries, mainly in Africa and Latin America. The impact of the crisis and the oil price increase has been equivalent to that of a major natural disaster. For Africa, the total loss has been estimated at $2 billion, equivalent to almost one fifth of net resource flows to the region in 1990. This, in turn, has exacerbated the many economic problems confronting these countries, particularly their external debt-servicing burden.

25. Most developing countries were heavily indebted before the start of the crisis. The background paper offers a more detailed analysis of the impact of the crisis. 1/

2. Response of the international community

26. The Gulf Crisis Financial Coordinating Group, established by the major donors, working closely with the Bretton Woods institutions, provided financial assistance to seriously affected countries like Egypt, Jordan and Turkey. The International Monetary Fund (IMF) and the World Bank also extended assistance, in many cases by expediting the disbursement of existing loans, and the World Bank began work on longer-term recovery loan programmes for seriously affected countries like Jordan and Yemen.

3. Steps taken by UNDP

27. Using IPF resources, UNDP assisted India, Pakistan, the Philippines and Sri Lanka in impact assessment studies; Myanmar received assistance in exploring alternative energy sources.

28. By May 1991, UNDP, under SPGC, was responding to pressing requests for assistance in impact assessments in Albania, Algeria, Bulgaria, Mauritania, Morocco and Romania. In addition to an impact assessment study, Djibouti, which lost considerable investment as a result of the crisis, is being assisted in reformulating its development strategy.

29. SPGC funds also helped to cover the costs of impact assessments undertaken by the UNDP Programme of Assistance to the Palestinian people. At the Secretary-General's request (S/22472), a mission was dispatched to the occupied Palestinian territories to study ways of alleviating the serious unemployment problem as a result of the return of a large number of expatriate Palestinian workers.

4. Proposed initiatives

30. The initiatives proposed under section D below will assist countries in several areas of macrolevel management. Beyond that, there is a need to assist other countries in the sphere of macroeconomic management, to rechart development strategies, arrange debt rescheduling and seek balance of payments support. Additional areas of assistance should include: development of socio-economic baseline data; support for energy management programmes; expansion and diversification of export potential; and management of aid flows and resource mobilization. To be relevant, it is proposed that the resources to assist Governments should be mobilized very quickly.

D. Human development needs

1. Impact and needs

31. The return of over 2 million expatriate workers from Iraq, Kuwait and other Gulf States (see table 3 below), has caused serious socio-economic dislocation in their home countries. The immediate cost of repatriating the workers has been a drain on hard currency reserves, particularly for countries in Asia. The longer-term costs of reintegrating the returnees socially and economically have been especially heavy in those countries where their numbers constitute a significant proportion of the total labour force, for example, in Egypt, Jordan and Yemen. The sudden large surge of demand on these countries' infrastructure, housing market, schooling, health care facilities and municipal services has strained the capacities of their Governments which were already finding it difficult to provide adequate services to existing populations.

32. Although many returnees are skilled workers who will be able to contribute to national development, others have limited skills. Some have savings, but many workers lost the savings of a lifetime, including financial assets and property in Kuwait and Iraq. The direct loss was not suffered solely by the workers, but by their dependants as well. Returnees will need assistance to find employment opportunities; obtain training for new professions required in the market place; acquire credit to initiate their own enterprises; and gain access to social services, especially for the vulernable groups.

33. Returning migrant workers have joined an existing pool of unemployed nationals, men and women, who also require assistance. The problem is therefore not simply short-term relief measures in the affected countries, geared to a transitional reintegration phase; it has to be addressed in a comprehensive fashion together with the underlying structural imbalances of labour markets. This requires an integrated approach linking direct action to assist the returning migrants with action needed at the policy level for overall human development, and at the macrolevel in terms of adjustment of plans and budget allocations. Close collaboration among international agencies, Governments, donors and NGOs is necessary to dovetail relief and humanitarian assistance with technical assistance and investment programmes. In this, as in other areas, there is a need to introduce modern, cost-effective approaches to education and training. The aim is to empower people to take advantage of opportunities, and, where possible and necessary, to remove constraints to their doing so.

2. Steps taken by UNDP

34. In response to requests by Governments in Asia, UNDP promptly used IPF country and intercountry resources available in existing ILO-executed projects to strengthen national capacities to reintegrate returnees in Bangladesh, India, Pakistan, the Philippines, Sri Lanka and Viet Nam.

35. In the Arab States, the Social Development Fund of Egypt, which was being formulated to assist vulnerable groups that might be adversely affected by structural adjustment programmes, was quickly reformulated to target returning labour migrants as well. Supported by the World Bank, with UNDP providing technical assistance, the Fund will be managing some $660 million.

36. In response to requests from Governments, and based on needs assessments, several allocations were made under SPGC to assist in the problem of returning labour migrants:

(a) $100,000 was made available to Jordan to undertake pilot surveys of returnee families, establish skills available and training needed, and formulate strategies for reintegration;

(b) $190,000 was made available to the Philippines to assist in formulating strategies and undertaking actions for the socio-economic reintegration of returnees;

(c) $150,000 was made available for an Arab intercountry programme to study government labour market mechanisms and provide a forum for exchange of experiences between Arab and Asian States.

3. Proposed initiatives for reintegration of returnees and sustainable human development

37. The situation offers a unique opportunity to turn the dislocation caused by the crisis to advantage, and to embark on sustainable solutions in the area of employment and development. Therefore, UNDP plans to address both immediate and medium-term needs through an integrated, five-year initiative for the reintegration of returnees and for sustainable human development.

38. This initiative is based on the needs expressed by the Governments of the countries concerned, on UNDP field office reports and on documentation made available by United Nations agencies. Also taken into consideration were initial assessments and studies utilizing IPF, SPR and other extrabudgetary funds in several countries (including Bangladesh, Jordan, India, Pakistan, the Philippines, Sri Lanka and Yemen). Care would be taken not to duplicate efforts already under way. Net contributor countries would participate on a cost-recovery basis. The proposed five-year initiative would require the mobilization of special resources beyond the funds available at UNDP. The initiative proposes a comprehensive framework for sustainable development through human development funds, coupled with direct support to returnees.

39. Human development funds. As they undertake macroeconomic adjustments to cope with the impact of the crisis, particularly the large numbers of returnees, Governments will also have to introduce speedily innovative programmes to assist and protect the most vulnerable groups, especially women and children. National authorities should be enabled to: profile human conditions and needs in each country, including human resource development requirements; formulate policies that build human capacity and adopt peopled centred development approaches; and cushion economic adjustment policies with appropriate human development interventions.

40. The Social Development Fund of Egypt points to the type of the response necessary for sustainable human development. There is a need for UNDP assistance to support feasibility studies for similar funds in other affected countries, as well as the technical assistance components of such funds. Such funds would help developing countries to face the challenge of growing human development needs, for example, including the reintegration of large numbers of returnees in a stagnant labour market. The funds would provide a package of credit, training and technical assistance, using existing institutions and NGOs, to support small-scale enterprises and income-generating activities. Overall, the size of each fund would range from $100 to $300 million in capital co-financing.

41. Direct support for returnees. The aim of labour policy and placement would be to facilitate the redeployment of underemployed and unemployed returning migrant workers by establishing or strengthening labour market

information and manpower planning systems; computerized processing and registration of returning migrant workers and their skills profiles, as well as employment services, compensation and job counselling; technical support for industries and enterprises with the potential to expand to employ larger numbers of workers; and enhanced government planning capacity to formulate appropriate employment policies and to design and implement programmes.

42. In reference to vocational training, the objective would be to give returning migrants the skills required for reintegration into the economy by: (a) expanding existing vocational training programmes to provide training and retraining opportunities; (b) emphasizing non-traditional vocational methodologies such as on-the-job training, outreach programmes that employ private sector institutions and NGO initiatives that link marketable low-cost training opportunities with credit schemes; and (c) expanding innovative training efforts to reach women, such as the use of mobile training units.

43. The aim of direct employment generation would be to provide ready employment opportunities for returning migrant workers, including women, by launching community-based, labour-intensive public works projects, to construct and rehabilitate rural/urban infrastructures and community facilities to serve returning migrants and other affected populations. These projects would include building or rehabilitation of feeder roads, water supply and irrigation projects, landscaping, basic housing, health centres and schools. Highly skilled workers would be used to conduct needed surveys, undertake technical drawings and supervise construction. Depending on the country, a mix of cash and food could be used to pay for work done. It is important to collaborate with local contractors and development NGOs in working with local communities, and to incorporate labour-intensive projects into ongoing, integrated community development activities.

44. Small-scale enterprise development would be directed towards expanded self-employment opportunities for returning male and female migrant workers, by supporting existing financial institutions that provide small-scale credit schemes with expanded lines of credit, in the form of revolving funds. Returning migrant workers with little or no collateral would thus be provided with funds for both urban and rural-based small-scale enterprises. Complementing credit schemes with technical assistance would help to prepare simple project financing applications, provide technical advisory services, and assist in the establishment of cooperatives for inputs and for marketing. Small-scale enterprise development would also place special focus on empowering women to initiate economic activities and cooperate, where possible, with existing NGO credit schemes and innovative initiatives, such as the Trickle-Up Programme, and with vocational training programmes. In this area, a special effort should be made to remove structural constraints to enterprise development and growth.

45. An intercountry labour information exchange would aim to assist countries affected by the crisis in the placement of returning migrant workers in other skilled and semi-skilled labour markets. An intercountry programme would survey labour markets, in the region and elsewhere, identify potential areas of labour opportunities, help Governments to establish a system for the

continuous flow of information on labour markets, support policies and procedures on labour migration and assist in the establishment or strengthening of placement centres for returning migrants.

E. Environment

1. Impact and needs

46. The serious effects the crisis has had in the area immediately adjacent to the Gulf region, as well as farther afield, have yet to be studied. The regional impact includes the following:

(a) Oil pollution in the Gulf, and its effects on marine life, water supplies and the fishing industry;

(b) Oil pollution on land in Kuwait due to gushing, uncapped wells and damaged oil storage and distribution facilities;

(c) Smoke and smog caused by burning oil well fires in Kuwait, and resulting air pollution both in the immediate area and across boundaries;

(d) Mines left in Kuwait, constituting a grave threat to the people and the environment;

(e) Serious environmental consequences resulting from the concentration of refugee masses in small areas in Iran and Turkey and from the earlier flood of migrant labourers evacuated from Jordan in the period August to December 1991.

47. The environmentally related needs of the Gulf countries fall into two broad categories:

(a) Capital requirements to clean up oil pollution in the Gulf, extinguish the oil well fires in Kuwait and repair the oil production, storage and distribution systems;

(b) Non capital-intensive needs.

48. Information collection and dissemination. There is an urgent need for a continuously updated and expanding information database on the extent of environmental pollution and impacts in the affected area covering air, land and water resources. This collected data has to be verified for accuracy, computerized and made available, both in print and through interactive computer systems, to interested parties contributing to the Gulf effort.

49. Periodic surveys of environmental impact in the Gulf area. While the United Nations has already launched a first preliminary survey of the affected area, inadequate access to several areas and unsettled conditions have prevented a comprehensive review from being undertaken. Periodic surveys are

needed on the extent of air, water and land pollution and degradation; other ecological damage, including impacts on the marine and coastal environment; and current and expected future efforts to remedy this environmental degradation.

50. Technical assistance in environmental impact monitoring and assessment. Monitoring and assessment of the widespread environmental degradation is straining the existing technical and managerial capacity of the affected developing countries. The United Nations system can assist in the development or strengthening of national environmental monitoring and assessment centres in each country. A network of transportable atmospheric monitoring stations in smoke-affected areas could indicate dispersal patterns and deposition rates. National staff would have to be trained in the techniques involved and in the subsequent management of such programmes.

51. Technical assistance. Water supplies require testing for soot deposits and acidification, and the clean-up of chemical and biological pollutants from damaged factories and plants would have to be evaluated.

2. Response of the international community

52. Several activities are already under way to meet the impact of the crisis on the environment. At the United Nations, there are two main initiatives: the Inter-Agency Action Plan in the ROPME Region, and the Gulf Oil Pollution Disaster Fund.

53. Several inter-agency consultations were convened in 1991 under UNEP auspices to discuss the scope of the problem and to intensify cooperation and coordination within the United Nations system. 5/. The Inter-Agency Action Plan was prepared with a preliminary proposed budget of $3,157,000 to cover United Nations seconded staff, core group salaries, administrative support, travel, equipment and data acquisition. The plan has three phases: survey, assessment and implementation. These cover the marine/coastal environment (monitoring and responding to oil pollution, remote sensing and database development); the atmosphere (monitoring of air quality, air-sea exchanges, meteorology); in-land terrestrial areas (assistance in agriculture, food safety measures, safe drinking water, solid and liquid waste management, desalination, desertification, shelter/welfare and industrial safety); and hazardous waste management. Several agencies have pledged contributions to each of these areas, and some assistance from bilateral donors has been mobilized.

54. The Gulf Oil Pollution Disaster Fund was established by IMO in March 1991, to coordinate offers of international assistance to Governments affected by the Gulf oil spill. The Fund aims to facilitate the fielding of equipment and expert services to the coastal States. By the end of April, some $6 million had been secured in donor assistance. Although some 21 million gallons of oil (equivalent to 500,000 barrels) had been recovered by April, IMO estimated that the oil spills totalled from 1.5 to 2.0 million

barrels. Thus, at most, only one-quarter of the oil spill had been recovered by April, and clean-up activities have been very slow. IMO estimates that a preparatory survey is essential to assess damage and degradation of the maritime infrastructure, and to determine technical assistance needs.

3. Proposed initiatives

55. In addition to supporting the Inter-Agency Action Plan and the Gulf Oil Pollution Disaster Fund, UNDP plans to support technical assistance needs in the areas outlined above, and to mobilize the funds necessary to do so.

III. CONCLUSIONS

56. UNDP is acquiring considerable experience in helping countries and regions move from emergency relief to sustainable development. Perhaps the best regional example is the UNDP role in the implementation of the Special Plan of Economic Cooperation for Central America (PEC), adopted by the General Assembly in its resolution 42/231 of 12 May 1988. As was reported to the Governing Council at its thirty-seventh session, in June 1990 (DP/1990/85), the $20 million in SPR allocated to PEC served to mobilize tens of millions of dollars in additional funds for technical cooperation and investment. A comprehensive report on UNDP emergency initiatives at the global level is contained in document DP/1991/20.

57. The impact of the Gulf crisis has been of such magnitude that a special response, and special resources, are required to move beyond emergency responses, and towards development and cooperation. The UNDP network of field offices enables rapid, country-specific responses. Also, the comparative advantages of UNDP - neutrality, universality and the capacity to coordinate development assistance within and between countries - come into play.

58. There is an opportunity to empower people for sustainable development. UNDP plans to pursue that opportunity as follows:

(a) Through the SPR resources made available under SPGC;

(b) By continuing dialogue with affected countries, in close collaboration with the organizations and bodies of the United Nations system, and by assisting them in assessing their needs, reorienting country programmes as appropriate and responding to the impact of the crisis within available means;

(c) By meeting with donor countries to discuss mobilization of funds for areas of specific interest under the programme initiatives outlined above.

59. The attention of the Governing Council is invited to the needs described in the present report. The advice, guidance and support of the Council will be a key element in pointing the way towards an appropriate response to this crisis of global implications.

Table 1. Impact of the Gulf crisis on selected developing countries a/

(Where impact is greater than 1 per cent of GNP)

Country	Total cost (million $US)	Gross national product (percentage)
Low income		
Bangladesh	245	1.4
Pakistan	855	2.4
Sri Lanka	266	4.0
Sudan	380	3.8
Yemen	830	10.4
Lower middle income		
Egypt	985	2.9
Jordan	1 770	31.3
Morocco	410	2.0
Philippines	630	1.8
Turkey	3 360	4.9

Source: Extracted from Overseas Development Institute Briefing Paper (London, March 1991).

a/ This table does not include all the developing countries affected by the crisis. It is intended only to illustrate the magnitude of the crisis in developing countries. For a longer list of the countries affected, see table 3 below. See also the background paper, referred to in footnote 1 of the present report, for country-by-country impact assessments of a larger group of countries.

Table 2. Special Programme for the Countries Most Affected by the Gulf Crisis: allocations by country and area of need a/

(Updated version to be distributed during session in June)

(US dollars)

	Humanitarian needs	Human development (returnees)	Socio-economic management	Rehabilitation of institutions and infrastructure	Environment
Intercountry	-	-	400 000 b/	-	-
Arab region					
Bahrain c/	-	-	-	-	50 000
Djibouti	-	-	136 000	-	-
Iraq c/	100 000	-	-	-	-
UNVs	250 000	-	-	-	-
Administrative support	114 000 d/	-	-	-	-
Kuwait c/	100 000	-	-	-	-
Jordan c/	-	100 000	-	-	-
Qatar c/	-	-	-	-	50 000
Regional migration	-	150 000	-	-	-
Asia					
Philippines c/	-	190 000	-	-	-
Europe					
Turkey c/	50 000	-	-	-	-
Total	614 000	440 000	536 000	-	100 000

Grand total as at 1 May 1991: $1 690 000 (42 per cent)

a/ Countries assisted to respond to the Gulf crisis using existing IPF resources are not shown in this table. By 1 May, they included Bangladesh, India, Myanmar, Pakistan, the Philippines, Sri Lanka and Viet Nam.

b/ This umbrella project, managed by the Regional Bureau for Arab States and Europe, enables rapid, flexible response for small-scale impact assessment by all countries affected by the crisis. By 1 May, these included Algeria, Albania, Bulgaria, Mauritania, Romania and the Palestinian people.

c/ Approved individually, before approval of SPGC as a programme.

d/ Support to the Iraq-based humanitarian operations of the United Nations Secretary-General's Executive Delegate.

Table 3. Estimated number of returnees from selected countries a/

Country	Number of returnees
Bangladesh	90 000
Egypt	500 000
India	200 000
Jordan	400 000
Lebanon	60 000
Pakistan	142 000
Philippines	55 000
Sri Lanka	101 000
Sudan	30 000
Syrian Arab Republic	50 000
Viet Nam	16 000
Yemen	813 000
Total	2 457 000

Source: Estimates, based on government reports, field office assessments and ILO reports.

a/ Figures may not take into account returnees after the first three months of the crisis; moreover, some returnees have since been able to remigrate for employment.

Notes

1/ Owing to space constraints, a detailed analysis of the impact of the crisis cannot be given in the present report. Therefore, a more comprehensive report, Impact of the Gulf Crisis on Developing Countries, is being made available to the members of the Governing Council as a background paper. It includes country-by-country impact studies, and an analytical study proposing long-term strategies for developing countries.

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2/ The following countries applied for assistance under the provisions of Security Council resolution 661 (1990): Bangladesh, Bulgaria, Czechoslovakia, Djibouti, India, Jordan, Lebanon, Mauritania, Pakistan, the Philippines, Poland, Romania, the Seychelles, Sri Lanka, the Sudan, the Syrian Arab Republic, Tunisia, Uruguay, Viet Nam, Yemen and Yugoslavia.

3/ S/22366 (Kuwait and Iraq) and S/22409 (Kuwait).

4/ S/22535, annex, and S/22536.

5/ Participating agencies included UNDP, UNEP, UNDRO, FAO, UNESCO/IOC, WHO, WMO, IMO, IAEA and UNCED, and two NGOs: the International Union for the Conservation of Nature, and the Regional Organization for the Protection of the Marine Environment (ROPME).